

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA**

M E M O R A N D U M

Honorable Frank C. Damrell, Jr.
United States District Judge
Sacramento, California

**RE: Stephen A. SPARKS
Docket Number: 2:02CR00316-01
ORDER TO APPLY PAYMENT TO FINE**

Your Honor:

On April 4, 2005, the above offender was convicted of Bank Fraud and sentenced to 6 months custody of the Bureau of Prisons followed by 5 years Supervised Release. He was ordered to pay \$1,622,712.27 restitution; \$7,500 fine; and \$100 special assessment. His special conditions included financial disclosure and restrictions; substance abuse testing, treatment, and co-payment; and 180 days home detention. To date, the offender has complied with all conditions of supervision.

Prior to being sentenced in this case, Mr. Sparks reached an agreement with the victim, Wells Fargo Bank, for arrangements to pay restitution for his check-kiting scheme. At sentencing, Wells Fargo Bank submitted letters recommending Mr. Sparks remain at liberty to operate his business and maintain his monthly payments of \$10,000 toward the total loss amount of \$1,622,712.27. Throughout the term of supervision, the probation officer has verified Mr. Sparks' compliance with this payment arrangement; his accountant sends \$10,000 each month to an attorney, who forwards the payment to Wells Fargo Bank. To date, Mr. Sparks has paid a total of \$790,000 toward his restitution, leaving a balance of \$832,712.27. The Financial Litigation Unit in the U.S. Attorney's Office is fully aware of this arrangement and has been provided information to continue tracking Mr. Sparks' payment history through Wells Fargo Bank following termination of supervision.

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Mr. Sparks will complete his term of supervision on July 20, 2011. The probation officer directed him to pay his outstanding fine prior to termination, as he has the means to do so. However, the U.S. District Court automatically applied the \$7,500 payment toward restitution, as dictated by guide from Administrative Office of the Court. It is the recommendation of the probation officer that the Court order the payment be applied to the fine as intended.

Respectfully submitted,

/s/ Dayna D. Ward

DAYNA D. WARD
Senior United States Probation Officer

Dated: March 15, 2011
Roseville, California
:DDW/cd

REVIEWED BY: /s/ Kyriacos M. Simonidis
KYRIACOS M. SIMONIDIS
Supervising United States Probation Officer

THE COURT ORDERS:

(X) The payment of \$7,500 made by the offender on February 18, 2011, shall be applied to the outstanding fine ordered in this case.

() Other:



March 16, 2011

Date

Signature of Judicial Officer

cc: R. Steven Lapham, Assistant United States Attorney
David A. Dratman, Defense Counsel